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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

NOTICE OF REMOVAL

PLEASE TAKE NOTICE THAT, pursuant to 28 U.S.C. §§ 1331, 1441, and 1446, Defendant Natera Inc. (“Natera”), Matthew Rabinowitz, Jonathan Sheena, Herm Rosenman, Roelof F. Botha, Todd Cozzens, Edward C. Driscoll, Jr., James I. Healy, and John Steuart (collectively the “Natera Defendants”), by and through their attorneys, hereby remove the above-captioned state court civil action currently pending in the Superior Court of the State of California, County of San Mateo to the United States District Court for the Northern District of California. In support of this Notice of Removal, Natera states as follows:

1. On March 10, 2016, Plaintiff Mika Cahoj filed this civil action in the Superior Court of the State of California, County of San Mateo, captioned *Mika Cahoj v. Natera, Inc., et al.*, Case No. CIV 537717 (the “State Court Action”). A true and accurate copy of all process, pleadings, and orders served in the State Court Action is attached as **Exhibit A**.

2. None of the Natera Defendants, nor any of the other named defendants, have been served with copies of the Complaint and Summons.

3. This Notice of Removal is timely pursuant to 28 U.S.C. §1446(b), since the Notice of Removal is being filed within 30 days of the filing of the complaint in the State Court Action.

4. Natera has not pled, answered, or otherwise appeared in the State Court Action.

5. Counsel for the Natera Defendants are authorized to certify that all named defendants in the State Court Action consent to removal. *See Proctor v. Vishay Intertechnology Inc.*, 584 F.3d 1208, 1225 (9th Cir. 2009).

6. Natera reserves the right to amend and/or supplement this Notice of Removal.

JURISDICTION

7. This Court has original subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331, because the claims asserted in the State Court Action arise under the laws of the United States. The State Court Action is a putative class action brought against Natera, certain officers and directors of Natera, certain entities holding ownership interests in Natera, and certain underwriters of Natera’s July 2, 2015 initial public offering on the NASDAQ stock exchange. The State Court Action alleges violations of Sections 11, 12(a)(2), and 15 of the Securities Act of 1933

1 (the “Securities Act”), which are laws of the United States. (Compl. ¶ 1.) Because this putative
 2 class action states a federal question, the district court has original jurisdiction under 28 U.S.C. §
 3 1331.

4 8. Furthermore, the state courts lack subject matter jurisdiction over the State Court
 5 Action. The Securities Act’s jurisdictional provision, as amended by the Securities Litigation
 6 Uniform Standards Act of 1988 (“SLUSA”), provides that:

7 The district courts of the United States . . . shall have jurisdiction of offenses and
 8 violations under this subchapter . . . concurrent with State and Territorial court,
 9 **except as provided in section 77p of this title with respect to covered class actions,**
 9 by this subchapter.”

10 15. U.S.C. § 77v(a) (emphasis added to SLUSA amendments).

11 9. Section 77p defines “covered class actions” as “any single lawsuit in which . . . one or
 12 more named parties seek to recover damages on a representative basis on behalf of themselves and
 13 other unnamed parties similarly situated, and questions of law or fact common to those persons or
 14 members of the prospective class predominate over any questions affecting only individual persons
 15 or members” 15 U.S.C. § 77p(f)(a)(A)(II). Plaintiff seeks to recover damages on a
 16 representative basis on behalf of itself and a class consisting of unnamed purchasers of Natera
 17 common stock, and alleges that common questions of law and fact predominate over individual
 18 questions. (Compl. ¶¶ 55-60.) Thus, the State Court Action is a “covered class action” under
 19 Section 77p of the Securities Act.

20 10. Because the federal courts alone have original subject matter jurisdiction over the
 21 State Court Action, it is properly removable under 28 U.S.C. § 1441(a). *See Lapin v. Facebook*, No.
 22 12-cv-3195-MMC, 2012 WL 3647409, at *2 (N.D. Cal. Aug. 23, 2012) (“[F]ederal courts alone
 23 have jurisdiction to hear covered class actions raising [Securities Act] claims.”); *Knox v. Agria
 24 Corp.*, 613 F. Supp. 2d 419, 425 (S.D.N.Y. 2009) (“SLUSA stripped state courts of subject matter
 25 jurisdiction over covered class actions raising [Securities Act] claims.”); *Hung v. Idreamsky Tech.
 26 Ltd.*, No. 15-2514, 2016 WL 299034, at *4 (S.D.N.Y. Jan. 25, 2016) (“SLUSA could and did
 27 remove state court jurisdiction of both federal and certain state covered class actions.”); *Wunsch v.
 28*

Am. Realty Capital Properties, No. 14-4007, 2015 WL 2183035, at *1 (D. Md. Apr. 14, 2015) (denying demand where the “case involves a class action based upon federal law”).

11. Moreover, removal of the State Court Action is the proper outcome contemplated by Congress. “In enacting SLUSA, Congress intended to make ‘Federal court the exclusive venue for most securities class action lawsuits and to prevent plaintiffs from seeking to evade the protections that Federal law provides against abusive litigation by filing in State, rather than Federal court.’” *Knox*, 413 F. Supp. 2d at 421 (quoting H.R. Conf. Rep. No. 105-803, at 13 (1998)); *Lapin*, 2012 WL 3647409 at *3 (same); *see also* Mitchell A. Lowenthal & Shiwon Choe, *State Courts Lack Jurisdiction to Hear Securities Act Class Actions, But the Frequent Failure to Ask the Right Question Too Often Produces the Wrong Answer*, 17 U. Pa. J. Bus. L. 739 (2015).

12. Pursuant to 28 U.S.C. § 1446(d), Natera will promptly serve a copy of this Notice of Removal on Plaintiff's attorneys of record and a copy is being filed with the Clerk of the Superior Court of the State of California, County of San Mateo.

INTRADISTRICT ASSIGNMENT

13. Pursuant to United States District Court for the Northern District of California Civil Local Rule 3-2(c), this putative securities class action should be assigned on a district-wide basis.

Dated: March 28, 2016

KATTEN MUCHIN ROSENMAN LLP

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